CONFIDENTIAL

1949

File No. K 141 XVII.(C)

REHABILITATION, HOUSING & BACKWARD CLASSES. DEPARTMENT

1st BRANCH

748 Revised dt 22/2/57

Subject:— Administration of Evacuee Property

E.P. Act, 1947 p 120 - p 35 E 52

B.W. Dt. 11/3/57 for 2/3

Class

Karnataka

File No. (Taken out from original file.

Std. Scott. Slip 24-B

CONFIDENTIAL

Below advance copy of Government Notification No. R.141-B, dated the 31st October 1949.

CONFIDENTIAL

No.R.141-B,
Rehabilitation Department,
Bombay Castle, 1st November 1949.

Forwarded with compliments to:-

The Commissioners of Divisions,
All Colectors,
or information and guidance.

2. The appointment of all collectors (excepting the Collector of Bombay) as Deputy Custodian and all Mamlatdars and Mahalkaris as Assistant Custodians, is for the Province of Bombay but jurisdiction of each of these officers will be conterminous with their present jurisdiction. All Collectors (excepting the Collector of Bombay), will, therefore, exercise their powers under the Ordinance within their Districts and all Mamlatdars and Mahalkaris within the Talukas and Mahals respectively. Government notification specifying the jurisdiction of each officer will be issued shortly.

3. The Bombay Evacuees (Administration of Property), Act, 1949 was repealed by the Administration of Evacuee Property Ordinance 1949 (Ofdinance No. XXVII of 1949) issued by the Government of India, on 18th October 1949 and all notifications and orders issued under the Bombay Act on or after 18th October 1949 are therefore invalid. All Collectors should review the orders and notifications issued by them under the Bombay Act on or after 18th October 1949 and issue fresh notifications and orders under corresponding provisions of the Government of India Ordinance so as to validate the action taken by them.

By order of the Governor of Bombay,

Sd/-
(V.V. PINGE.)
Assistant Secretary to the Government of Bombay,
rehabilitation Department.

133.11/3

NOTIFICATION.

Rehabilitation Department.
Bombay Castle, 31st October 1949.

No.R.141-P. In exercise of the powers conferred by sub-section (1) of section 3 of the Administration of Evacuee Property Ordinance, 1949, (Ordinance No. XXVII of 1949), the Government of Bombay is pleased to appoint for the Province of Bombay -

a) the Joint Secretary to the Govt. of Bombay, Rehabilitation Department, to be the Custodian of Evacuee property,

b) the Collector of Bombay and Bombay Suburban District to be the Additional Custodian of Evacuee Property,

c) All Mamlatdars and Mahalkaris to be the Assistant Custodians of Evacuee Property,

By order of the Governor of Bombay

V.D.DHAT.
Chief Secretary to Government,
Rehabilitation Department.

To

The Manager, Government Central Press Bombay, for Publication in the Bombay Government Gazette, Extra Ordinary and return with 100 printed copies of the notification.

25 copies of the printed notification should be sent to all Collectors direct.

Sd/- (D.R.PINGE).
Assistant Secretary to the Government of Bombay
Rehabilitation Department.

RS.14/5

A829/5

~~CONFIDENTIAL~~

CONFIDENTIAL.

The Administration of Evacuees Property Ordinance 1949.

GOVERNMENT OF BOMBAY.
Rehabilitation Department.
No.R.141-B
Bombay Castle, 21sr November 1949.
Bombay No.1.

In order to evade the provisions of the Administration of Evacuee Property Ordinance, 1949, evacuees frequently produce partnership deeds or dissolution deeds on stamp paper in support of their contentions that they had no interest in the business of pxx property in India. The stamp papers used in such cases need close scrutiny as it is not uncommon to use stamp papers which are not kept in stock by petition writers, lawyers etc. In order to counter this practice, when such documents are produced, the original stamp paper should be verified with a view to checking up the names of persons by whom they were originally purchased and the date of purchase. The dates on which parties have made payments for the purchase of stamps should, if possible, be verified. If there is a difference between the date of purchase and payment towards the purchase of the stamp, the transaction would appear to be shady. It would also be worthwhile to verify whether the partnership deed or the dissolution deed was notified to the Bank with which the party has dealings.

In the case of partnerships, it should be verified whether the partnership is registered with the Registrar of Firms and the party should be asked to adduce evidence by production of a certificate from the Registrar of Firms showing the date of registration of the Firm. If a registered firm is dissolved, a notice of dissolution to the Registrar is necessary. Such scrutiny will enable the investigating Officers to find out the correctness of the statements made by interested parties.

By order of the Governor of Bombay,

Sd/- (D.R.PINGE).
Assistant Secretary to the Govt. of Bombay,
Rehabilitation Department.

To

The Commissioners of Divisions,
the Custodian of Evacuee Property, Bombay,
the Additional Custodian of Evacuee Property, Bombay,
the Deputy Custodian of Evacuee Property, Bombay,
All colectors of and Deputy Custodians of Evacuee Propert

HSS.
14/5

No.II(47)-I-48I.
GOVERNMENT OF INDIA
MINISTRY OF RELIEF AND REHABILITATION.

NEW DELHI, the 3rd November, 1948.

To

The Custodian of Evacuees' Property,
151 Block, New Delhi-

Sub:- Transfer of shares from India to Pakistan.

Sir,

With reference to your D.O. No. CEP/148/1198 dated the 30th September, 1948. Copy endorsed to this Ministry, I am directed to state that the position in Pakistan regarding shares in joint stock companies is that shares held by Evacuees are "evacuee property" but it isunderstood that permission is granted by Pakistan Government as a matter of course except in case where there is any endorsement indicating transfer by a Pakistan National to a India National in which cases it is investigated to safeguard the rights of Pakistan nationals. There is no restriction on the transmission of dividends on shares held in companies functioning in Pakistan.

Removal of shares from Pakistan however should be distihguished from transfer by sale of shares which can only be effected with the permission of the Custodian of Evacuee Property.

To bring the position inline with Pakistan Muslim Evacuees may be allowed to remove share scrips from India to Pakistan exceptin cases where the scrip bears an endorsement by an India National in favour of a Pakistan National. In such cases the facts should be investigated to safeguard the interests of India Nationals, before the transfer is allowed. There should be no restriction on the transmission of dividends to Muslim evacuee shareholders on shares held in companies functioning in India.

Muslim Evacuees who wish to transfer the shares by sale etc. should be allowed to do so only with the prior permission of the Custodian of the Custodian of Evacuee Property.

Yours faithfully,

Sd/- (V.L.SONI)
Under Secretary to the
Government of India.

Copy;to

1. All Provincial Governments(including C.C.s)
2. Custodian of Evacuee Property, Amritsar.
3. General Branch C.R.R.Ministry.

Sd/-
Under Secretary.

AB. 29/11

R. & R.D.
D.Dr.

The proposal contained in the Government of of India letter overleaf regarding the transfer of shares from India to Pakistan can be considered only after the necessary legislation to deal with evacuee property is introduced in this Province So far no such measures have been taken to deal with evacuee property. But a Bill to deal with Evacuee Property has already been framed and it has been decided to introduce it in the next session of the Legislative Assembly. The proposals would, therefore, have to await consideration pending the passage of the Bill. Meanwhile, R.L.A. may please see and state whether any notifications would be necessary in the Bill to give effect to the proposals.

Id/-

There are instructions to the Custodian of Evacuee Property, New Delhi as regards the lines on which he should deal with the shares held by Muslim evacuees from India to Pakistan. The policy is identical with that adopted by Pakistan Government in respect of Pakistan Non evacuees, who have come over to India.

I do not think any action on our part is called for. It has been sent for our information only.

Id/-

Below a copy of Press Note No.P 940. dated the 17th June 1949, regarding evacuee's shares in joint stock companies.

****

No.R.141/14909-B
Rehabilitation Department.
Bombay Castle, 20th June 1949.

Forwarded to:-

All Collectors,
The Commissioner of Police,
The Commissioner of Divisions,
The Director of Rehabilitation,
The Registrar of Companies,
All Departments of the Secretariat(except the separate Department.)

for information.

By order of the Governor of Bombay,

Sd/-
For Deputy Secretary to the Government of Bombay
Rehabilitation Department.

hss.31/5

Rehabilitation Department.

"B"Br.

D.S. had orally desired that the position under the Bombay Evacuee (A. OF P) Act,1949, in respect of shares held in Joint stock companies by evacuees should be examine Attention in this connection is invited to the Press Note No.P-940,dt.17.6.49. From para.1 thereof it will be seen that shares s held in joint stock companies by Evacuees ar property within themeaning of section 2(A) of the Act and no transfer of any kind of such shares can, therefore, be effected by any Evacuee except in accordance with the provisions of section 8 of the Act. But in para. 2 a distinction is sought to be made between transfer of shares and removal of shares. In Pakistan the position seems to be that where a share scrip does not bear any endorsement indicating transfer, its removal by an evacuee from Pakistn to India does not require the prior permission of the Custodian of Evacuee Property. It must be seen whether the position, if adopted here, will be in conflict with the provisions of the Act. Under the Act, all evacuee property vests in the ~~transactio~~ Custodian who may by general or special order assume possession of, or control over, such property. As every transaction in shares has to be are registered with the company in which the shares held in joint stock companies, will be effected by serving a notice on the company in which a share or shares are held by an evacuee prohibiting the company from making payment or effecting any transfer except in accordance with the written order of the Custodian. Thus the company is held primaril responsible for complying with the provisions of the Act in respect of transactions in shares. That being the position, there seems to be no objection to the removal of share scripby an evacuee from India to Pakistan without

without the prior permission of the Custodian, provided that the shares is held in a joint stock company functioning in India and provided further that the scrip does not bear an endorsement indicating transfer in favour of a Pakistan national. As regards transmission of dividends to evacuee share holders on shared held in companies functioning In India the position in Pakistan seems to be not to place any restriction on such transmission. But this seems to be in conflict with the provisions of the Act since, as in the case of shares the company is prohibited from paying such divident except in accordance with the written order of the Custodian. Again, the primary responsibility for complying with the provisions of the Act in this regard rests on the company. The concluding sentence of the Press Note will require to be amended accordingly.

The L.D. may be requested u.o. to state whether the position stated in the above note is correct. Thereafter the issue of a revised Press Note will be considered.

Id/-

This question should be referred to the Govt. of India with the enquiry whether the position stated in their letter at page 4 should be maintained, and in particular whether dividends on shares held by evacuees should be allowed to be remitted, though this is prima facie in sharp conflict with the law.

MSS.14/5

No.R.141-D.
Rehabilitation Department.
Bombay Castle, 26th July 1949.

To
The Secy. to the Govt. of India,
Ministry of Rehabilitation,

Subject:- Transfer of shares from India to Pakistan.

Sir,

I am directed to invite attention to the letter from the Govt. of India, Ministry of Rehabilitation, No.II(4D)A-I-M&I, dated the 3rd November 1949, on the above subject, and to state that this Govt. has since passed the Bombay Evacuees(Administration of Property) Act 1949. Shares held in joint stock companies by evacuees are property within the meaning of section 2(f) of the Act and no transfer of any kind of such shares can, therefore, be effected by any evacuee except in accordance with the provisions of section 8 of the Act. However, in the letter referred to a distinction is sought to be made between transfer of shares and removal of shares whereby shares held in joint stock companies functioning in India can be removed to Pakistan without the prior permission of the Custodian of Evacuee Property, provided the scrip does not bear an endorsement indicating transfer in favour of a Pakistan national. I am to enquire whether in the light of the law passed by this Govt. this position should still be maintained. I am further to enquire whether dividends on shares should be allowed to be remitted to Pakistan. Prima facie this is in conflict with the law.

Yours faithfully,

Sd/-
For Dy.Secy. to the Govt. of B'bay, R.H.D.

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PRESS NOTE.

Under section 2 of the Bombay Evacuees (Administration of Property) Act, 1949, debentures, securities and shares are evacuee property and as such vest in the Custodian of Evacuee Property. Where any debentures, securities and shared belonging to evacuees are held by banks, whether in safe custody or as a pledge against advances or overdrafts granted by banks or otherwise, their return to the owners or the disposal thereof in any other manner by banks required the prior permission of the Custodian. Where any debentures, securities and shares have already been sold by banks in spite of the position stated aforesaid, the payment of the sale proceeds to the evacuees also requires the prior permisson of the Custodian.

Prior permission of the Custodian is, however, not necessary for the payment to evacuees of dividends or interest accruing on debentures, securities and shares.

Cash deposits in banks are not evacuee property, nor are current and savings accounts to be treated as such; and restrictions on operating on such accounts need not be placed by banks.

A question has been raised whether Joint Stock Companies may register in their books a change of address of a shareholder who is a displaced person from Pakistan, from an original address in Pakistan to another in India or elsewhere. There is no objection to this being done.

No. R.141-B.
Rehabilitation Department.
Bombay Castle, 4th October 1949.

Forwarded with compliments to the Director of Publicity for favour of publicity.

By order of the Governor of Bombay,

Sd/-

For Deputy Secretary to the Govt. of Bomb
Rehabilitation department.

HSS.
14/5

IMMEDIATE

No.F.14(230)Cus/49.

GOVERNMENT OF INDIA.
MINISTRY OF REHABILITATION

NEW DELHI, the 6th October, 1949.

From

Shri V.D.Dantyagi, M.A.,
Joint Secretary to the
Government of India.

To

The Chief Secretaries,
1. East Punjab.
2. C.P. & Berar.
3. Orrissa.
4. Bihar.
5. U.P.
6. Bombay.

Sir,

I am directed to invite your attention to the instructions contained in this Ministry's Secret letter No.14(33)Cus/49 dated the 13th August, 1949 in which it was stated that under the existing law relating to evacuee property, shares and securities are also evacuee property and as such vest in the Custodian and that instructionsbe issued to all Banks that such scripts or other things left in the safe custody of banks should not be returned to the evacuee owners without the permission of the Custodian of the area concerned and permission inthis respect was ~~not~~ to be accorded pending further instructions. I am now to add that the Custodian General who has been consulted in the matter is of the opinion that when a bank sells these securities or shares under instructions from his client ~~therexsecurities or shares in underxinstructions fr~~ the sale proceeds cannot be remitted to the owner without the permission of the Custodian. It is, therefore, requested that necessary instructions may be issued to the Custodians in this respect.

Yours faithfully,

Sd/-(V.D.Dantyagi).
Joint Secretary to the
Government of India.

Copy forwarded to:-

1. The Ministry of States with the request that if there be no objection similarinstructions be issuedto Chief Secretaries in States and State Unions for guidance of the Custodians functioning there.

2. Chief Commissioners,
i. Delhi.
ii. Ajmer-Merwara,
iii. Bhopal,
iv. Kutch.
v. Bilaspur.
vi. Himachal Pradesh,
vii. Rampur.

for action as indicated above.

P.T.O.

AG 30/6

3. Copy with a copy of letter No.14(33)/Cus/49 dated the 13yh August, 1949 forwarded to the Chief Secretary, Madras, for necessary action.

Sd/-(V.D.Dantyagi),
Joint Secretary to the
Government of India.

HSS.29/5

Rehabilitation Department.
B Br.

Submitted with reference to Assistant Secretari's note dated the 8th October 1949.

2. Custodian of Evacuee Property's officer may see u.o. before the papeers are filed.

Id/-

U.O. to C.E.P.'s office dated 12/10/49.

hss.31/5
AB 31/5

SECRET.

NO.II.(4-B)A-1/49-I.E.
GOVERNMENT OF INDIA.
MINISTRY OF REHABILITATION.

NEW DELHI. the 17th Octo.49.

To

The Secretary to the
Government of Bombay,
Rehabilitation Department,
Bombay.

Sub:- Transfer of shares from India to Pakistan.----

Sir,

I am directed to refer to your letter No. R.141-B dated the 26th July, 1949 and to say that the Government of India have decided that the provisions of Evacuee property Ordinance should not be applied to the sale and t transfer of securities and shares of Muslim evacuees.

Where shares and securities have been left in the custody of any bank in India the procedure prescrib by this Ministry's letter No.F-14(230)-Cus/49 dated the 6th October, 1949 should however, be followed. Dividen on such scrips will be paid as usual to the owners. Custodian will be well advised to obtain six monthly li of articles so held up in banks so that nothing really moves without the Custodians' permission.

2. There are very rare cases in which a whole concern has been taken over by the Custodian because the share-holders were mostly evacuees and have gone to Pakistan. In such cases the shares vest in the Custodian. The concern c can be used for the rehabilitation of displaced persons for five years under the Karachi Agreement. It is hardly likely that the share of such concerns will be quoted by the Stock Exchange, and it would be advisable to apprise the the Stock Exchange of the names of such concerns, so that they do not deal with shares of such concerns. Any other precautions to be taken in such cases are under considerat

Yours faithfully,

(TRRACHAND) Officer on Sp.Dut

Copy forwarded to:

1) Ministry of Finance for information.

2) Chief Secretaries of all Provinces (except West Beng- and Assam) with the request to issue instructions to their Custodians in this respect.

3) Ministry of States with the request that if there be no objection instructions to Custodians in States and State Union be issued for taking necessary action.

4) All Chief Commissioners for necessary action.

5) Custodians Delhi and Ajmer for necessary action.

6) Custodian General for information,

7) P.S. to H.M.

8) P.S. to Secy.

9) P.S. to Adviser,

10) J.S.(H).

11) O.S.D.(H)

12) Property Branch (with 10 spare copies)

UNDER SECRETARY.

S.1/F

Copy of a letter No.F.14(300)Cus/49, dated the 6th October 1949 from the Government of India, Ministry of Rehabilitation.

I am directed to invite your attention to the instructions contained in this Ministry's letter No.14(38)Cus/49 dated the 23th August, 1949 in which it was stated that under the existing law relating to evacuee property, shares and securities are also evacuee property and as such vest in the Custodian, and that instructions be issued to all banks that such scripts or other things left in the safe custody of banks should not be returned to the evacuee owners without the permission of the Custodian of the area concerned and permission in this respect was not to be accorded pending further instructions. I am now to add that the Custodian General who has been consulted in the matter is of the opinion that when a bank sells these securities or shares under instructions from his client the sale proceeds cannot be remitted to the owner without the permission of the Custodian. It is therefore, requested that necessary instructions may be issued to the Custodians in this respect.

Copy of a letter No.II(4-B)A-1/49-I.I.(Secret), dated the 17th October 1949 from the Government of India, Ministry of Rehabilitation, New Delhi.

Subject:- Transfer of shares from India to Pakistan.

I am directed to refer to your letter No.F.141-B, dated the 26th July, 1949 and to say that the Government of India have decided that the provisions of the evacuee property Ordinance should not be applied to the sale and transfer of securities and shares of muslim evacuees.

There shares and securities have been left in the custody of any bank in India the procedure prescribed by this Ministry's letter No.F.14(300)/49, dated the 6th October 1949 should however be followed. Dividends on such scrips will be paid as usual to the owners. The Custodian will be well advised to obtain six monthly a list of articles so held up in banks so that nothing really move without the Custodians' permission.

2. There are very rare cases in which a whole concern has been taken over by the Custodian because the share holders were mostly evacuees and have gone to Pakistan. In such cases the shares vest in the Custodian. The concern can be used for the rehabilitation of displaced persons for five years under the Nehru-Liaqat Agreement. It is hardly likely that the shares of such concerns will be quoted by the Stock Exchange, and it would be advisable to apprise the Stock Exchange of the names of such concerns, so that they do not deal with shares of such concerns. Any other precautions to be taken in such cases may also be considered.

SECRET

No.F.141/3[illegible]-B.
Rehabilitation Department.
Bombay Castle, 5th November [illegible].

Forwarded with compliments to:-

All Custodian of Evacuee Property, } for information
All Collectors, and Dy. Custodians } and guidance.
of Evacuee Property,
The Commissioners of Divisions for information.

By order of the Governor of Bombay,
Sd/- [illegible]
Under Secy. to the Govt.

AB 30/5-

SECRET.

NO.II(4-B)A-1/49-I.I.
GOVERNMENT OF INDIA
MINISTRY OF REHABILITATION.

New Delhi, November 11,1949

From

Shri D.R.Kohli, I.C.S.
Officer on Special Duty,
Ministry of Rehabilitation,
New Delhi.

To

The Secretary to the Government of Bombay,
Rehabilitation Department,
Bombay.

Subject:- Transfer of shares from India to Pakistan.

Sir

In continuation of this Ministry's letter No.II(4-B)A-1/49-II, dated the 17th October 1949, I am directed to forward a copy of a press note which indicates the decision of the Government of India regarding treatment of shares belonging to evacuees.

Yours faithfully,

Sd/- (D.R.Kohli)
Officer on Special Duty

HSS.
15/5

SECRET

GOVERNMENT OF INDIA
MINISTRY OF REHABILITATION

NO.13(4-SM)/49-I.I.

New Delhi, November 11, 1949

To

The Secretary to the Government of Bombay,
Rehabilitation Department,
Bombay.

Subject:- Transfer of Officers from India to Pakistan.

Sir,

In continuation of this Ministry's letter No.13(4-SM)/49-II.I. dated the 17th October 1949, I am directed to forward a copy of a press note which indicates the decision of the Government of India regarding transfer of officers to Pakistan.

Yours faithfully,

Sd/- (D.N. Kohli)
Officer on Special Duty

Copy

PRESS NOTE

SHARES AND SECURITIES OF EVACUEES

WARNING TO INTENDING PURCHASERS.

Some misapprehension appears to have arisen in certain quarters about shares and securities owned by evacuees from India. Under the Law, as it ~~seems~~ stands in India as well as in Pakistan, shares and securities belonging to evacuees are evacuee property and cannot be sold by the evacuee without the prior consent of the Custodian. The Government of India have, however, decided not to place any restrictions on the transfer of shares of public limited liability companies and securities which are in the possession of evacuee. When such shares and securities are deposited with any bank or safe deposit company, these are to be treated as evacuee property and cannot be returned to the owner without proper authority from the custodian.

Where a concern has been taken over as evacuee property by the Custodian because the majority of the share holders have gone to Pakistan such concern can, even under the Karachi Agreement, be retained by Government for five years for the rehabilitation of displaced persons. In such cases, therefore, it is in the interest of the intending purchasers ~~xxx~~ to consult the Custodian before buying such shares. Purchases made without the Custodian's prior consent may not be confirmed by the Custodian, and the buyer may lose his purchase money. The Custodians of evacuee property throughout India have been asked to notify such concerns in the official gazette of the Province or State concerned for general information.

Ministry of Rehabilitation.
New Delhi, October, 29, 1949.

HSS.
14/5

Copy of a letter from the Government of India, Ministry of Rehabilitation, No.II(4-B)A-1/49-I.I.(Secret), dated the 11th November 1949.

Subject: Transfer of shares from India to Pakistan.

In continuation of this Ministry's letter No.II(4-B)A-1/49-II, dated th 17th October, 1949, I am directed to forward a copy of a press note which indicates the decision of the Government of India regarding treatment of shares belonging to evacuees.

COPY.

PRESS NOTE.

SHARES AND SECURITIES OF EVACUEES
WARNING TO INTENDING PURCHASERS.

Some misapprehension appears to have arisen in certain quarters about shares and securities owned by evacuees from India. Under the law, as it stands in India as well as in pakistan, shares and securities belonging to evacuees are evac uee property and cannot be sold or transferred by the evacuee without the prior consent of the Custodian. The Government of India have, however, decided not pto place any restrictions on the transfer of shares of public limited liability companies and securities which are in the possession of evacuees. When such shares and securities ~~xhixxk xxx kn xxx~~ are deposited with any bank or safe deposit company, these are to be treated as evacuee property and cannot be returned to the owner without proper authority from the Custodian.

Where a concern has been taken over as evacuee propertyby the Custodian because the majority of the share holders have gone to Pakistan such concern can, even under the Karachi Agreement, be retained by Government for five years for the rehabilitation of displaced persons. In such cases, therefore, it is in the interest of the intending ~~xxa~~ purchasers to consult the Custodian before buying such shares. Purchases made without the Custodian's prior consent may not be confirmed by the Custodian, and the buyer may lose his purchase money. The custodians of evacuee property throughout India have been asked to notify such concerns in the official gazette of the Province or State concerned for general information.

SECRET.

No.R-141/33107-B
Rehabilitation Department.
Bombay Castle, 19th November 1949.

Forwarded with compliments to:-

The Custodian of Evacuee Property, Bombay,
The Additional Custodian of Evacuee Property, Bombay, with copies of Government Endorsement, Rehabilitation Department No.R.-141/30318-B (Secret), dat d the 5th November 1949, and its accompaniments) for information & guidance.
All Collectors nd Deputy Custodians of Evacuee Property)
The Commissioners of Divisions for information,

in continuation of this Department endorsement No.R-141/30318-B, (Secret) dated the 5th November 1949.

By order of the Governor of Bombay,

Sd/-(D.R.PINGE).
Assistant Secretary to the Government of Bombay,
Rehabilitation Department.

HSS.31/5

SECRET.

No.2869/Cus/49.
Government of India.
Ministry of Rehabilitation.

New Delhi, the 14-11-49.

From

Shri Parsho tam Sarup.
Under Secretary to the Govt. of India

To

The Secretary to the
Government of Bombay,
Rehabilitation Department.
B O M B A Y.

Sub;- Transfer of shares from India to Pakistan.

Sir,

In continuation of this Ministry's Secret letter No.II(4-B) A-I/49 I.I. dated the 17th October 1949, I am directed to invite your attention to the note on new Evacuee Property Ordinance forwarded with the Ministry's letter No.14(57)/Cus /49 dated the 18th October 1949 to the Chief Secretary of your province. In para 9 of the note referred to above the question of shares and securities has been dealt with at length and it is suggested that the policy and procedure laid down therein may please be strictly followed.

I have again to stress the need of supplying the lists of concerns taken over by the Custodians to all the Stock Exchanges in the country so that they do not deal with the shares of such concerns.

Yours faithfully,
Sd/-
(PARSHOTAM SARUP)
Under Secretary to the
Government of India.

In continuation of this Ministry's Endorsement No.II-(4-B)A-I/49I.I. dated the 17th October, 1949, copy forwarded to:-

1. Ministry of Finance for information,
2. Chief Secretaries of all Provinces (except West Bengal and Assam) with the request to issue instructions to the Custodians in this respect.
3. Ministry of States (with 25 spare copies) with the request to issue instructions to that if there be no objection, instructions to Custodians in States and States Unions be issued for taking necessary action.
4. All Chief Commissioners for necessary action as indicated above.
5. Custodians, Delhi and Ajmer for necy. information,
6. Custodians General for information.
7. P.S. to M.M.
8. P.S. to Secretary.
9. P.S. to Adviser,
10. P.S. to J.S.(M)?
11. C.S.T. (M) 12. Property Branch (with 20 spare copies).

Sd/-
PUNJ UNDER SECRETARY.

Rehabilitation Department.
17.11.49.

Submitted with reference to Joint Secretary's note in the margin of prep ge.

2. The Letter has been ~~offic. ly~~ specially addressed to Bombay

AB30/5

apparently because the enquiry about the position of shares etc. under the Evacuee Property Act originally emanated from this Govt.: this Department letter No.R.141-D, dt. 26-7-49 to the Government of India, at page 25 ante

3. The accompanying draft Endt. may issue.

ESS.14/5

Copy of letter from the Government of India, Ministry of Rehabilitation, No.2869/Cus/49(Secret), dated the 14th November 1949.

Subject:- Transfer of shares from Indian to Pakistan.

In continuation of this Ministry's Secret letter No. II(4-B) A-I/49 I.I. dated the 17th October 1949, I am directed to invite your attention to the note on new Evacuee property Ordinance forwarded with the Ministry's letter No.14(57)Cus/49 dated the 18th October 1949 to the Chief Secretary of your province. In para 9 of the note referred to above the question of shares and securities has been dealt with at length and it is suggested that the policy and procedure laid down therein may please be strictly followed.

I have again to stress the need of supplying the lists of concerns taken over by the Custodians to all the Stock Exchanges in the country so that they do not deal with the shares of such concerns.

S E C R E T.

No.R-141/33488-B.
Rehabilitation Department.
Bombay Castle, 5th December 1949
Bombay No.1.

Forwarded with compliments to: -

The Custodian of Evacuee Property, Bombay) for
The Additional Custodian of Evacuee Property, Bombay (with a copy of the Government of India's note referred, to)) information and guidance
All Collectors and Deputy Custodians of Evacuee Property,)
The Commissioners of Divisions, for information.

in continuation of this Department Endorsement No.R-141/33107-B, (Secret), dated the 19th November 1949.

By order of the Governor of Bombay,

Sd/-(D.R.PINGE)
Assistant Secretary to the Government of Bombay
Rehabilitation Department.

hss.30/5

AB 30/5

CONFIDENTIAL.

NC.III/PHW/29/48-A.

GOVERNMENT OF INDIA.
MINISTRY OF REHABILITATION.

NEW DELHI, the 26th Sept.1949.

From,

Shri M.L.Puri.
Under Secretary to the
Government of India

To

The Secretary to the government of
1) Bombay.
2) U.P.
3) C.P.
4) E.P.
5) West Bengal,
6) Madras,
7) Bihar,

The Chief Commissioner,
1) Delhi,
2) Ajmer-Merwara,
3) Rampur,
4) Bhopal,

Subject;- PERMIT SYSTEM.

Sir,

I am directed to forward herewith the lists of multi-journey permits issued by the High Commissioner for India in Pakistan, Karachi, to (A) muslims who are the nationals of Pakistan to (B) muslims who are the nationals of India.

As shown the persons shown in the lists marked "A" are pakistani nationals, their properties if any in India should be taken over as evacuee property, if not already done. Regarding the persons shown in the second list marked 'B',it may please be ascertained whether any of these persons has defived any benefit from or acquired any interest in evacuee property in Pakistan or is otherwise an evacuee under the new law. If so, steps may kindly be taken to declare the persons concerned as evacuees. This Ministry may kindly be kept informed of any action taken by the Provincial Government.

It may be pointed out that all the permits shown in the enclosed lists have since been ~~cancelled~~ by the High Commission by issue of a Press Note on the 3rd August 1949. It has however been reported by him that a number of Pakistanis who have taken repeated journey permits valid for 3 years and 1 year have not yet surrendered their permits, and may be still staying in India on the authority of these permits. I am therefore to request that necessary instructions may kindly be issued to all concerned that all Pakistanis who are still in India on the authority of these Repeated journey permits should be asked to leave India immediately. Those who fail to do so should be prosecuted for staying in India without permits. The permits in their possession should be taken over and forwarded to the High Commissioner for India in Pakistan Karachi.

P.T.O.

An acknowledgement is required.

Yours faithfully,

Sd/-(M.L.PURI)
Under Secretary to the Govt. of Indi

Copy together with the lists (in duplicate) in so far as they concern the states which have acceded to India forwarded to the Ministry of States for favour of taking similar action.

Copy (with copies of compl ete lists) to the Intelligence Bureau, Ministry of Home affairs, with reference to their U.O.N. NO.1/Pass/49(7)-V dated 17th September, 1949. As explained above these repeated Journey permits have since been cancelled. Whereever any renewal is granted the period of validyty is confir to 3 months on ly.

Copy with a copy of U.O.N.No.1/Pass/49(7)-V dated the 17th September 1949 from the Intelligence Bureau forwarded to the High Commissioner/Deputy High Commissioner for India in Pakistan, Karachi/Lahore (BY DIPLOMATIC BAG) with the request that in future particulars of any new permits granted should also be forwarded to Director of Intelligence Bureau as well as to this Ministry.

The Deputy High Commissioner for India in Pakistan Lahore is further requested kindly to expedite submission of the lists of multi-journey permits issued by him. It is presumed that all the old permits have been cancelled by him as requeted in this Ministry's telegram No. 57363 dated 2nd August 1949. A copy of the Press Communique cancelling the multi-journey permits may kindly be forwarded to this Ministry

Sd/-
M.L.PURI)
Under Secretary to the
Government of India

HSS.14/5

Below copies of an endorsement from the Government of India, Ministry of Rehabilitation, No. II(138)/49 I.D.C. (Secret), dated the 20th November 1949, and its accompaniments.

~~SECRET~~.

Secret.

NO.R.141/34603-B.
Rehabilitation Department.
Bombay Castle, 6th December 1949
(Bombay No. 1), ~~6th December 1949~~

Frowarded with compliments to:-

The Custodian of Evacuee Property, Bombay)
The Collector of Bombay and Additional Custodian of Evacuee Property,) for information
The Deputy Custodian of Evacuee Property, Bombay,) and guidance.
All Other Collectors and Deputy Custodians of Evacuee Property,)
The Commissioners of Divisions, for information.

By order of the Governor of Bombay,

Sd/- (D.R.PINGE)
Assistant Secretary to the Government of Bombay,
Rehabilitation Department.

HSS.
15/5

Below copies of an endorsement from the Government of India, Ministry of Rehabilitation, No. II(152)/49 I.A.C. (Secret), dated the 20th November 1949, and its accompaniments.

Secret.

No. T. IA/5465-B.

Rehabilitation Department.
Bombay Castle, 8th December 1949.

(Bombay No. 1), 8th September 1949

Forwarded with compliments to:-

The Custodian of Evacuee Property, Bombay.
The Collector of Bombay and Additional [illegible] for Information.
Custodian of Evacuee Property, [illegible] mation.
The Deputy Custodian of Evacuee Property, [illegible] and
Bombay, [illegible] Evidence.
All Other Collectors and Deputy [illegible]
Custodians of Evacuee Property [illegible]
The Commissioners of Divisions; for information.

By order of the Governor of
Bombay,

[illegible] (D.B.PINGE)
Assistant Secretary to the Government of Bombay,
Rehabilitation Department.

No.II (138)/49 I.D.C. SECRET.

GOVERNMENT OF INDIA.

MINISTRY OF REHABILITATION.

New Delhi, the 20th November, 1949

From

Shri D.R.Kohli, I.C.S.
Officer on Special Duty,
Ministry of Rehabilitation,
New Delhi.

To

Shri R.S.Das,
Secretary to the Government of U.P.
Relief and Rehabilitation Department.
LUCKNOW.

Sub;- Cash deposits of banks etc.

Sir,

In inviting a reference to your letter No.381/Cus, dated September 10th, 1949, I am directed to state that the position regarding cash deposits of evacuees in banks has been clarified afresh in this Ministry's letter No. II(138)/49-I.D.C. dated 5.11.49 (copy enclosed).- The question of transfer of funds to Pakistan is being considered by the Government of India as a part of the general problem arising out of Pakistan's decision not to devalue the rupee. Meanwhile no action is necessary to freeze the bank deposits, Pakistan's decision not to devalue her rupee will, in itself, make it unprofitable for persons in India to transfer their funds to Pakistan and the type of withdrawals mentioned in your letter should be on the decrease, if they have not stopped altogether.

2. It may, however, be noted that remittanceof amounts to Pakistan, whether through banks or by withdrawal and other means thereafter, will make the persons making such remittances liable to be deemed "intending evacuees" under Section 3(e) (i) of Ordinance 27 of 1949. It is suggested that information in respect of remittances to Pakistan, may be collected from banks for suitable action under Ordinance No. XXVII of 1949.

Land withdrawals, work a nice to evade Sec. 3 Clause (e) (i) Pakistan etc

3. Regarding safe deposits in banks (ornaments, valuables etc.) I am to state that these are evacuee property and cannot be removed without the permission of the Custodian. The position in this respect has been fully explained in this Ministry's letter No.F.-14(230)Cus/49 (copy enclosed)- In view of the present ban on restoration and removal of evacuee property in Pakistan, I am to request that the Custodian of Evacuee Property may be asked not to issue any permits for restoration or removal of movable property including safe deposits in banks as requested in the letter quoted above.

Yours faithfully,

(D.R.Kohli).
Officer on Special Duty.

Copy....

HB 361

Copy with copies of enclosures along with a copy of U.P. Government's letter No. 381/Cus dated 10.9.49. to:-

Copy to:-

1. Chief Secretaries, all Provincial Governments (except U.P., Assam and West Bengal).

2. Chief Commissioners of Centrally Administered Provinces.

3. Custodian General of Evacuee Property.

for information and necessary action.

4. Copy with enclosures along with 35 spare copies forwarded to Ministry of States for favour of communication to the States/States Unions.

(D.R.Kohli).
Officer on Special Duty.

SECRET. NO. 381/Cus.

From

Shri R.S.Das,
Secretary to Government,
United Provinces,

To

The Secretary to the Government of India,
Ministry of Rehabilitation,
New Delhi.

RELIEF AND REHABILITATION DEPTT. (A).
Dated Lucknow September, 10th, 49.

Subject:- Cash deposits in banks etc.

Sir,

I am directed to say that one of the repurcussions of the recent Ordinance on evacuee property is that a large number o withdrawals of cash deposits are taking place. The Provincial Government have examined the question of suspension of these withdrawals and find that powers to freeze the cash deposits or t suspend or prohibit the withdrawals cannot be exercised by them. The only legislation under which action can be taken in such cas are sections 7 and 20 of the Foreign Exchange of Regulation Act, 1947. But under these sections too the powers, which can be exer cised to a limited extent, can only be exercised by the Central Government or the Reserve Bank. This Government would be grateful for a very early directive from the Government of India in the m and also with respect to safe deposits.

Yours faithfully,
Sd/- (R.S.Das)
SECRETARY.

HSS.14/5

CONFIDENTIAL.

The Administration of Evacuees Property Ordinance 1949

Transfer and sale of property under

GOVERNMENT OF BOMBAY.
Rehabilitation Department.
Circular Memorandum No. R.141-B.
Bombay Castle, Bombay No.1, 8th December 1949.

The position regarding the sale and transfer of Evacuee property was formerly governed by Section 8 of the Bombay Evacuees (Administration of Property) Act, 1949, and certain instructions regarding the registration of documents, mutations of records etc were given in Confidential Rehabilitation Department, Circular Memorandum No. R. 141-B, dated the 30th June 1949, 21st July 49 and 15th September 1949. The Administration of Evacuee Property Ordinance, 1949 (Ordinance XXVII of 1949) has repealed the Bombay Act and the sale and transfer of property of evacuees and intending evacuees is now governed by Sections 20, 38 and 39 of the Ordinance. According to Section 38 of the Ordinance, no transfer of any right or interest in any property made in any manner whatsoever after the 14th August 1947 by or on behalf of an evacuee or by or on behalf of a person who has become an evacuee after the date of the transfer is effective unless such transfer is confirmed by the Custodian. It is, therefore, urgently necessary to review all transfers made by muslims after the 14th August 1947 in order to find out whether the provisions of the Ordinance are attracted. All District Registrars and Sub-Registrars should therefore, prepare lists of transfers of immovable properties made by muslims after the 14th August 47 and forward them to the Deputy Custodian of Evacuee Property concerned for necessary action. The Deputy Custodian of Evacuee Property should examine the transactions in accordance with the provisions of Section 38 of the Ordinance.

2. According to Section 39 of the Ordinance, where any document required to be registered under the Indian Registration Act, 1908(XVI of 1908) purportsto transfer any right or interest in any property in contravention of the provisions contained in Section 20 or Section 38, no registering Officer shall register any such document and no revenue officer shall sanction any mutation of names in respect thereof unless the party presenting the documents produces a certificate from the Custodian declaring that the property is not property belonging to an intending evacuee or that it is not evacuee property or that that the transaction has been confirmed or that the Custodian has given his previous approval to the Transfer. When any muslim s present documents for registration, all District Registrars and Sub-Registrars should direct the parties to approach the Deputy Custodian of Evacuee Property concerned for obtaining a certificate as provided in Section 39 of the Ordinance. If any parties to a transaction demand registration, it will be competent for the registering authorities to refuse registration if they do not produce the certificate required under Section 39 of the Ordinance.

3. District Registrars should communicate these instructions confidentially to all Mamlatdars and other local revenue officers concerned with the registration of sale deeds.

By order of the Governor of Bombay,
Sd/-(D.R.PINGE)
Asstt. Secy. to the Govt. of Bom

HSS.14/5
A 30/9

To,

The Commissioners of Divisions,

The Inspector General of Registration,

The Custodian of Evacuee Property, Bombay,

The Additional Custodian of Evacuee Property, Bombay,

All District Registrars,

All Deputy Custodians of Evacuee Property

The Revenue Department.

No.14(33)/Cus/49
Government of India,
Ministry of Rehabilitation.

New Delhi, the 29th Octo. 194

From

V.D.Dantyagi, Esqr.,
Joint Secretary to the
Government of India.

To

The Chief Secretary to the
Government of Bombay,
Bombay.

Sir,

I am directed to refer to your telegram No.198 dddd. the 17th September 1949, in regard to compesation payable to share holders of the Reserve Bank who may be evacuees.

2. In reply tx I am to say that so far as share holders in Eastern Bengal are concerned payments should be made because there is no evacuee Property Law in East and West Bengal. Payments may also be made to all non-Muslim share holders with registered addresses in Western Pakistan, as it can be assumed that they have all come to India.

3. On account of the existing Evacuee Property Law all person who are residents of Pakistan and own property in India can be declared as evacuees. The compensation payable to them on account of Reserve Bank shares, would, therefore, be evacuee property and should be deposited with the Custodian in due course as and when a settlement regarding evacuee property is reached.

4. Muslim share holders with the registered addressed in India who have migrated to Pakistan are evacuees and their property is, therefore, evacuee property. The Custodians concerned should be asked to say whether any such persons have been declared as evacuees or not and where they have been declared as evacuees the compensation money relating to them should be deposited with the Custodian. Enquiry should bew made particularly with regard to Muslims who have their registered addresses in East Punjab and Delhi.

Yours faithfully,

Sd/-
(V.D.Dantyagi)
Joint Secretary to the
Government of India.

Copy.....2,

AB 30/5

A copy is forwarded to the Ministry of Finance for information and such further action as may be considered necessary. In this connection a reference is invited to their U/O NO.11175-FI/49 of 11.10.1949.

A copy is also forwarded to the Custodian General for information and necessary action.

Copy to the Custodian of Evacuee property, Bombay, for information.

I.I.Branch.

P.Branch (with 20 spare copies)

Sd/-
Joint Secretary to the
Government of India.